



Department of Justice

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**JUSTICE DEPARTMENT AND AMERICAN BAR ASSOCIATION RESOLVE CHARGES
THAT THE ABA'S PROCESS FOR ACCREDITING LAW SCHOOLS WAS MISUSED**

WASHINGTON, D.C. -- The Department of Justice and the American Bar Association today resolved charges that the ABA process for accrediting law schools had been misused to inflate faculty salaries and benefits.

The Antitrust Division filed a civil lawsuit and settlement in U.S. District Court in Washington, D.C., alleging that the ABA used its power as the law school accrediting agency to protect law faculties' economic interests and working conditions.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "The ABA's accreditation process required that universities raise salaries to artificially-inflated levels, and meet other costly accreditation requirements that had little to do with the quality of the legal education they provided. The settlement reached today stops this anticompetitive conduct."

Under today's proposed settlement, the ABA would be prohibited from:

- Fixing faculty salaries;
- Refusing to accredit schools simply because they are for-profit; and

- Refusing to allow ABA-approved law schools to accept credits for classes at schools that are state-accredited but not ABA-approved.

The settlement also:

- Establishes a special committee to determine if ABA accreditation requirements in six other areas should be revised-- student to faculty ratios, teaching loads, sabbaticals, bar preparation courses, facilities, and other resources.

- Opens up the ABA accreditation process so that it is no longer controlled by legal faculty who benefit from requiring better pay and working conditions.

"The powerful status of the ABA does not insulate it from the antitrust laws," said Bingaman. "The Antitrust Division has sued many professional trade associations, which, like the ABA, have violated the antitrust laws. Lawyers must keep their own house in order as well."

The complaint charges that the ABA's accreditation process had the effect of pressuring law schools to raise salaries to the national or regional median. The Department said by pressuring schools to pay the median salary, the ABA kept raising the target that schools had to meet.

About 90 percent of the ABA's Section of Legal Education members are law faculty. The section is responsible for the law school accreditation program, which has operated without adequate oversight. The complaint alleges that the lack of oversight has

led to abuses in the accreditation process, leading to an undue focus on guild concerns rather than quality education.

Through the process established by the consent decree, the ABA will work in the months ahead to revise its accreditation standards to address the problems identified in the government's complaint. Bingaman said, "We are pleased that the ABA has acted promptly and responsibly to address these issues, so that its important role in accrediting the nation's law schools can be performed appropriately and effectively."

The ABA, which is headquartered in Chicago, is the world's largest professional association for lawyers. There are currently 177 ABA-approved law schools.

To become effective, the consent decree must be approved by the court following a 60-day comment period as required by the Antitrust Procedures and Penalties Act. If the consent decree is approved by the court, it will settle the suit.

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